

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

TERRAFORM LABS PTE LTD. and
DO HYEONG KWON,

Defendants.

SUPPLEMENTAL DECLARATION OF DONALD E. BATTLE

I, Donald E. Battle, pursuant to 28 U.S.C. § 1746, declare as follows:

1. My name is Donald E. Battle. I am the Assistant Director of the Data Science Group in the Crypto Assets and Cyber Unit, within the U.S. Securities and Exchange Commission's (the "Commission" or "SEC") Division of Enforcement. I manage a team and provide direct analytics and programming support in SEC enforcement matters involving crypto assets. I am skilled in various forms of data analytics and have been conducting blockchain-based investigations since 2013.
2. I respectfully submit this supplemental declaration in response to the declaration of Dr. James Gregory Eastman and in support of the SEC's Motion for Final Judgment against Defendants, Terraform Labs PTE Ltd. ("Terraform") and Do Hyeong Kwon ("Kwon", collectively "Defendants").
3. Unless otherwise specified, I have personal knowledge of the facts set forth in this Declaration and, if called upon as a witness, I could and would testify to such facts under

oath. I am familiar with the matters set forth in this Declaration based upon my personal knowledge and my review of information contained in the files of the Commission.

4. I have reviewed Dr. Eastman's declaration ("Eastman Declaration"), which identified issues with the code used in my April 19, 2024 declaration to calculate trading by Terraform between June 1, 2021 and May 31, 2022 on the crypto asset trading platforms, Binance and Bitfinex. I agree with Dr. Eastman's analysis and have modified our code to address his concerns.
5. In connection with Terraform's trading on Binance, Dr. Eastman noted that our code included trades that were labelled "PARTIALLY_FILLED" and "FILLED," but did not include trades labeled as "CANCELED" or "EXPIRED."
6. Our code excluded the "CANCELED" and "EXPIRED" trades because it was designed to search for the word "filled" as a proxy for identifying executed transactions and did not recognize that other fields indicated that portions of those trades were, in fact, executed.
7. We have now amended our code to include executed trades labeled as "CANCELED" or "EXPIRED". As a result, our calculations of Terraform's sell values of LUNA, UST, and MIR on the Binance platform are now consistent with those of Dr. Eastman (*See* Eastman Declaration ¶10), as laid out in the tables below:

| Security | Binance Initial Gross Sales | Binance Updated Gross Sales | Difference (+/-) |
|----------|-----------------------------|-----------------------------|--------------------|
| LUNA | \$14,804,004,590.58 | \$16,640,343,290.63 | \$1,836,338,700.05 |
| UST | \$3,185,155,127.06 | \$3,957,971,191.36 | \$772,816,064.30 |
| MIR | \$127,145,035.55 | \$140,586,717.69 | \$13,441,682.14 |

| Security | Binance Initial Net Sales | Binance Updated Net Sales | Difference (+/-) |
|----------|---------------------------|---------------------------|--------------------|
| LUNA | (\$2,912,701,014.65) | (\$3,549,544,922.55) | (\$636,843,907.90) |
| UST | \$1,764,611,888.34 | \$1,132,866,335.65 | (\$631,745,552.69) |
| MIR | (\$3,152,596.93) | (\$13,353,185.00) | (\$10,200,588.07) |

8. In connection with Terraform's trading on Bitfinex, Dr. Eastman noted that our code had interpreted Bitfinex's ticker 'UST' as Terraform's stablecoin that is popularly known as 'UST,' when it should have been recognized as a separate crypto asset known as Tether.
9. We have re-analyzed those trades and modified our calculations to classify trading in the Bitfinex ticker "UST" as Tether, rather than Terraform's crypto asset "UST." As a result, our calculations of Terraform's net purchases of LUNA, UST, and MIR on the Bitfinex platform are now consistent with those of Dr. Eastman (*See* Eastman Declaration ¶¶10(a) and 10(c)), laid out in the tables below:

| Security | Bitfinex Initial Gross Sales | Bitfinex Updated Gross Sales | Difference (+/-) |
|----------|------------------------------|------------------------------|--------------------|
| LUNA | \$4,854,752,767.95 | \$8,698,648,128.48 | \$3,843,895,360.53 |
| UST | \$80,409,430.41 | \$122,494,908.51 | \$42,085,478.10 |
| MIR | \$102,143,019.54 | \$204,973,577.29 | \$102,830,557.75 |

| Security | Bitfinex Initial Net Sales | Bitfinex Updated Net Sales | Difference (+/-) |
|----------|----------------------------|----------------------------|--------------------|
| LUNA | (\$75,905,306.65) | (\$265,073,376.38) | (\$189,168,069.73) |
| UST | \$74,805,830.63 | \$101,279,420.09 | \$26,473,589.46 |
| MIR | \$3,398,010.49 | \$692,207.42 | (\$2,705,803.07) |

10. Dr. Eastman did not identify any issues with our calculations of Terraform's trading on KuCoin (*See* Eastman Declaration ¶10(b)), and executed our code to reproduce the same gross and net values on the Terraform KuCoin account, which I have provided again below for reference:

| Security | KuCoin Initial Gross Sales | KuCoin Updated Gross Sales | Difference (+/-) |
|----------|----------------------------|----------------------------|------------------|
| LUNA | \$2,996,279,268.43 | \$2,996,279,268.43 | \$0.00 |
| UST | \$1,020,870,696.70 | \$1,020,870,696.70 | \$0.00 |
| MIR | \$3,181,436.54 | \$3,181,436.54 | \$0.00 |

| Security | KuCoin Initial Net Sales | KuCoin Updated Net Sales | Difference (+/-) |
|----------|--------------------------|--------------------------|------------------|
| LUNA | (\$958,026,717.89) | (\$958,026,717.89) | \$0.00 |
| UST | \$449,855,549.64 | \$449,855,549.64 | \$0.00 |
| MIR | \$224,069.84 | \$224,069.84 | \$0.00 |

11. Combining the net values of UST sales on all three Terraform accounts from June 1, 2021

through May 31, 2022 returns a value of \$1,684,001,305.38,¹ which is a decrease of

\$605,271,963.23 from our initial calculations. The new gross UST sale value of

\$5,101,336,796.57 on all three Terraform accounts is an increase of \$814,901,542.40.

12. Combining the gross values of LUNA and MIR sales on all three Terraform accounts for the

same time period returns a value of \$28,684,012,419.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed on May 6, 2024.

/s/ Donald E. Battle
Donald E. Battle

¹ This number aligns with the calculation in the Eastman Declaration ¶11.